



Rio Tinto

M\035\002
Kennecott Utah Copper Corporation
Bingham Canyon Mine

Annual Presentation
to
Board of Oil, Gas and Mining

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Facilities Overview

- Boundary
- Bingham Mine
- South Tailing
- Facilities

2008 Completed Reclamation

- Bingham Mine
- South Tailing
- Facilities

2009 Anticipated Reclamation

- Bingham Mine
- South Tailing
- Sites

Longer Term Planning

- Keystone

Environmental Remediation

- South Zone

Accounting & Reporting

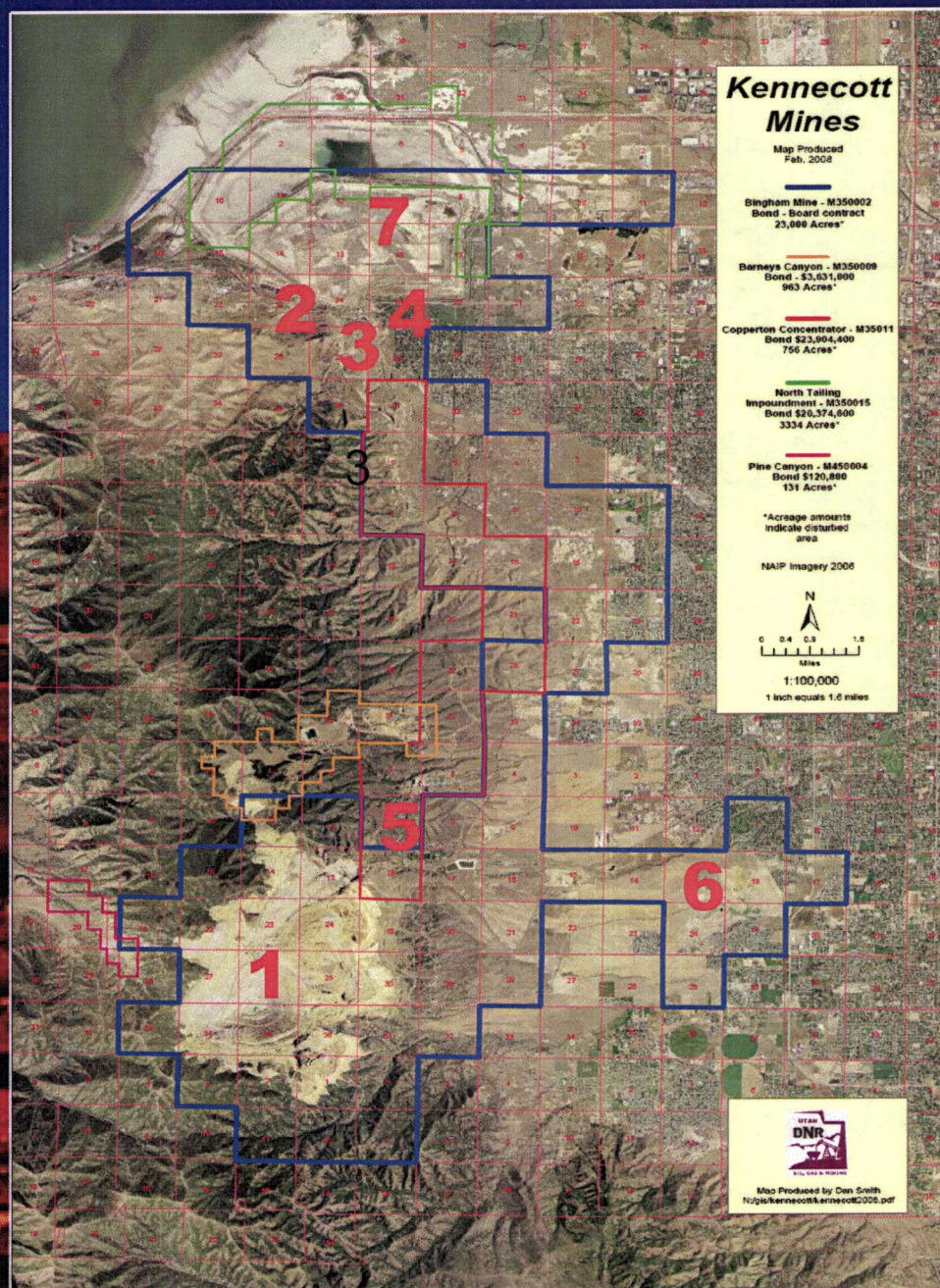
- Expenditures
- Register

Economics

- Utah
- KUCC

Closing Remarks

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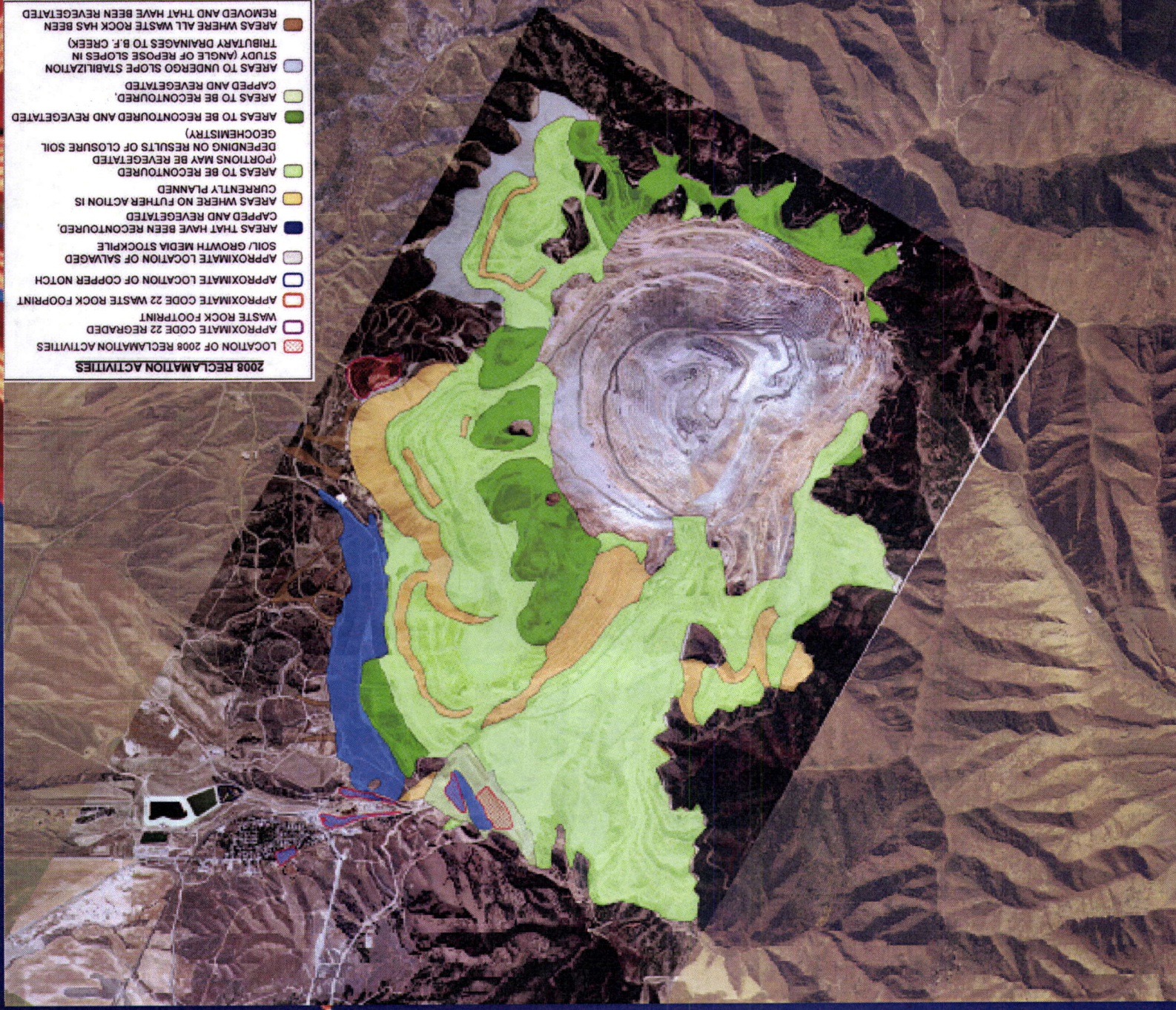
1. Bingham Canyon Mine
2. Arthur Concentrator *Reclaimed*
3. Bonneville Crusher *Reclaimed*
4. Magna Concentrator *Reclaimed*
5. Precipitation Plant *Reclaimed*
6. SJ Evaporation Ponds *Reclaimed*
7. South Tailing Impoundment

20 Miles Between Mine & South Tailing Impoundment

February 25, 2009

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5

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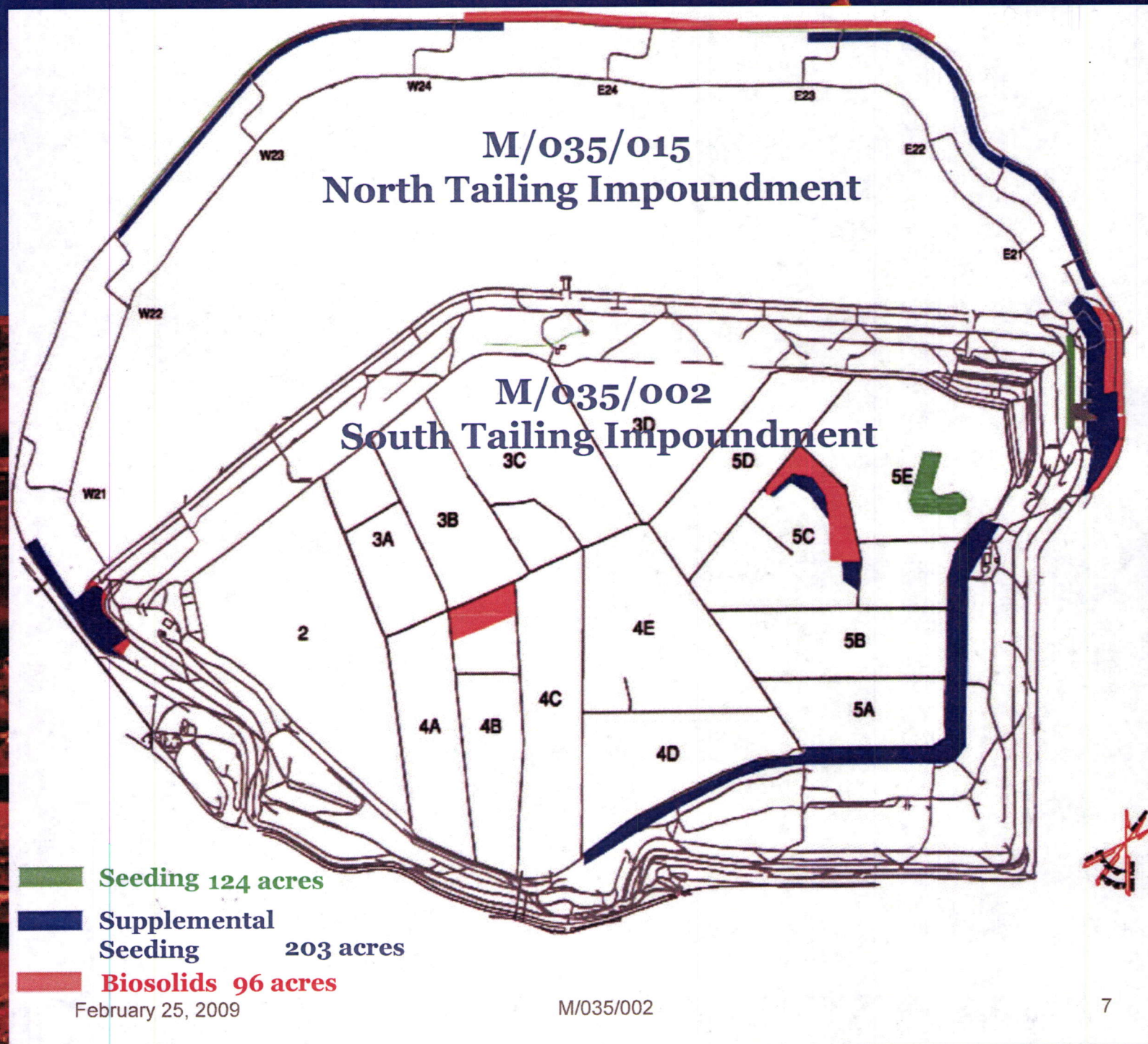


February 25, 2009

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6

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M\035\002 Bingham Canyon Mine

Facilities - Precipitation Plant

Example – Reclamation and Restoration



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Example – Reclamation and Restoration

February 2008



December 2008



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Summary of Significant 2008 Activities

Lower Bingham Upper 5990 section re-grade, rip, seed, plant seedlings

Lower Bingham 6190 section soil salvage, re-grade & stage soil

Bonneville Crusher re-vegetation

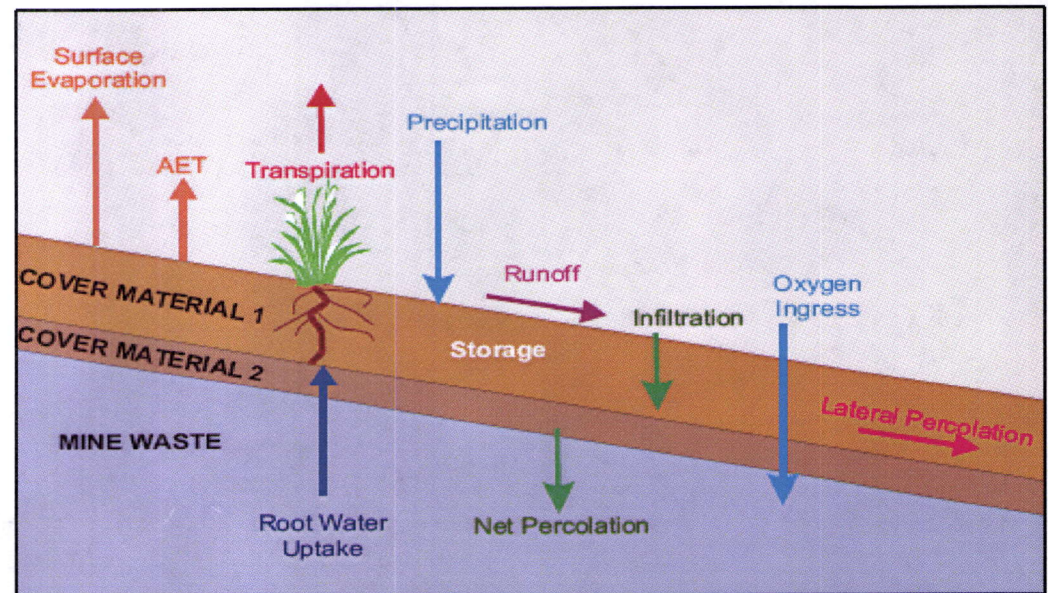
Magna Concentrator re-vegetation

Precipitation Plant re-grade & re-vegetate

Third-party soil characteristic and test plot studies

Store & release cover design modeling

ARD technology transfer



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RT/KUCC Anticipates the Following 2009 Activities

Complete Lower Bingham Lower 5990 section re-grade, rip, seed, planting

Complete Lower Bingham Upper 6190 section re-grade, soil placement, seed

Complete Lower Bingham Upper 6190 section experimental re-grading at 2:1 slope, soil, seed

Complete additional field sampling of potential cover material sources required to complete modeling for experimental store and release cover and initiate field trials

Initiate additional BAT and/or experimental projects as warranted and as funding allows

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Environmental Remediation Update

In **2008**, EPA withdrew its proposal to list the Kennecott South Zone on the Superfund National Priorities List thus:

- Recognizing more than a decade of soil and groundwater clean up that has eliminated or substantially reduced risk to human health and the environment
- Removing the stigma that can be associated with being named a Superfund site

Kennecott's South Zone groundwater clean up continues as:

- KUCC posted \$15m surety with EPA in 2008 to guarantee that clean is completed
- Clean up is expected to last several decades

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Keystone is the term associated with the longer term continuation of mining and copper production

Bingham Canyon Mine

Extension of mine life will involve additional disturbance and production of ore and waste rock within the existing M/035/002 boundary

Copperton Concentrator

Extension of mine life may require a fifth-line to sustain concentrate production levels

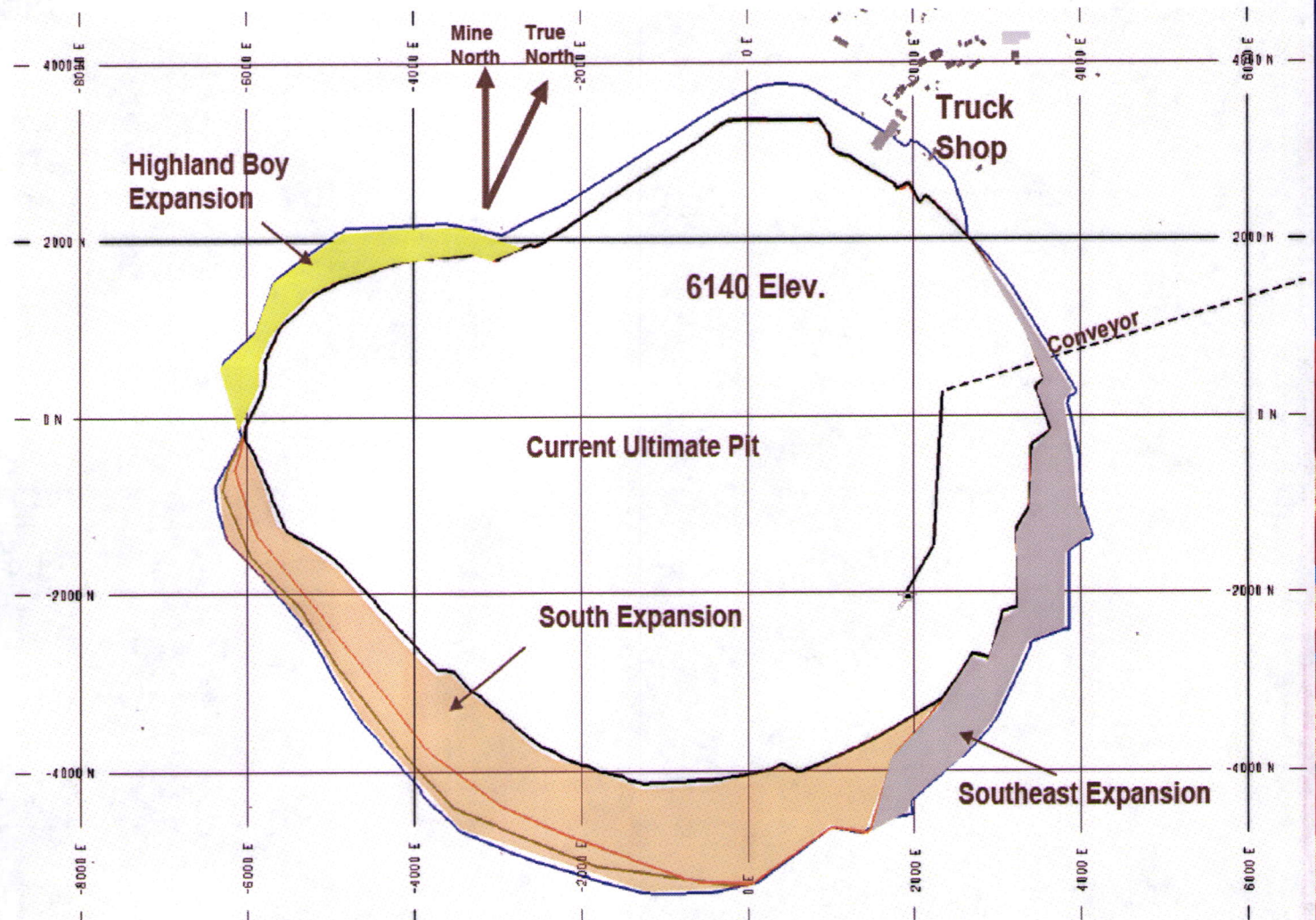
Tailing Impoundment

Extension of mine life will increase tailing generation beyond the current ~2022 design capacity of the North tailing impoundment

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Keystone Current Pit Expansion Options



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Expenditures 2008

BAT and Experimentation ¹	\$1,232,517
Demolition	\$2,021,039
Total (\$US 2008)	\$3,253,556
Total ^{2,3} (\$US 1978)	\$1,004,683

¹Mine BAT includes reclamation expenditures for equipment rental, maintenance and operation, seed/seedling, fertilizer/mulch/limestone application and purchase, and demolition contractors. Mine BAT does not include operating salaries or experimental costs associated with waste rock segregation or the ARD technologies report.

²Expend a minimum average, of \$50,000 in \$US 1978 dollars per year for each three year period, in maintaining a program of experimentation and in the application of BAT toward rehabilitation of land.

³Consumer Price Index (CPI) Inflation Calculator

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During 2009 KUCC & UDOGM will launch a voluntary program to utilize a
Reporting Register
 to capture “at a glance” the status of KUCC ongoing reclamation activities

UDOGM Annual Report Table

2008-2009

2/21/2009

MSRP	PLANT	AREA / PROJECT	2008						Additional					
			Planned ^{1,2}											
			BAT	Experimental	Demolition	Status	% Complete	\$ Expenditure ³	BAT	Experimental	Demolition	Status	% Complete	\$ Expenditure ³
M035/002	Bingham Canyon	Lower Bingham Canyon waste rock disposal area @ Lower 6990 section	(1) Re-grade and cross-slope the 6990-foot elevation (2) Place growth media salvaged Fall 2007 (3) Cap outer face average 2 feet growth media @ nominal depth 18"-36" (4) Seed (5) Plant 4000 two-year old seedlings			(1) Completed @ 16 acres (2) 2008 Completed growth media placement @ 16 acres (3) Completed seeding @ 16 acres (4) Completed plant 2000 Gambel Oak & Curl Leaf Mountain Mahogany @ ~40 acres each species (each seedling inoculated with mycorrhizae (vesicular-arbuscular) Wintering 2000 seedlings	(1) 27% (2) 100% (3) 100% (4) 100% (5) 50%	(1) \$29,931,934 ⁴ (4) \$4,510 (5) \$13,650						
M035/002	Bingham Canyon	Lower Bingham Canyon waste rock disposal area @ Upper 6190 section	(1) Complete salvage of growth media (2) Begin Re-grade (3) Begin placement of growth media			(1) Completed (2) To continue once soil stockpile relocated to lower half of 6990 area (3) Resuspended (4) To be completed 2009	(1) 100% (2) 50% (3) 15% (4) 0%	(1) \$20,000 ⁵ (4) \$2						
M035/002	Bingham Canyon	Lower Bingham Canyon waste rock disposal area @ Upper 6190 section		(1) Initiate re-grade at experimental 2:1 slope @ ~6 acres (2) Place growth media @ ~6 acres (3) Re-vegetate @ ~6 acres		(1) Postponed until 2009 (2) Postponed until 2009 (3) Postponed until 2009	(1) 0% (2) 0% (3) 0%	(1) \$20,000 ⁶						
M035/002	Bingham Canyon	Store and release cover	(1) Complete design modeling (2) Conduct field trials of the various designs			(1) Complete in 2008 Additional field sampling of potential cover material sources required to complete modeling (2) Initiate field trials in 2009	(1) 75% (2) 0%	(1) \$48,000						
M035/002	Bingham Canyon	ARD Technologies Report						Presentation to COGIM staff regarding applicability of ARD technologies at Bingham Canyon Mine			Completed 2008/1/5	100%	\$3,815	
M035/002	Bingham Canyon	Arthur Concentrator			(1) Demolition and removal (2) Clean borrow placement (3) Re-grade and re-vegetate	Some administration structures remain in use	(1) 50% (2) 50% (3) 50%	\$1,348,039 ⁷						
M035/002	Bingham Canyon	Bonneville Crusher			(1) Re-grade @ 65 acres (2) Re-vegetate @ 53 acres	(1) Complete (2) Seed (3) 46 acres grasses (4) 6 acres shrubs	(1) 100% (2) 77%							
M035/002	Bingham Canyon	Magna Concentrator			(1) Place clean borrow @ 18 acres (2) Regrade @ 18 acres (3) Vegetate @ 18 acres	(1) Complete (2) Complete (3) Complete (4) 16.2 acres grass (5) 1.8 acres shrubs	(1) 100% (2) 100% (3) 100%							
M035/002	Bingham Canyon	EI & WI Pump Stations			(1) Demolition (2) Removal (3) Re-grade (4) Re-vegetate	(1) 44% Work in 2009 suspended due to access & budgeting constraints. Initiation of work scheduled for 2011	(1) 0% (2) 0% (3) 0% (4) 0%	(1) (2) (3) (4)						

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The National Mining Association report entitled
*The Economic Contributions of U.S. Mining in 2007 - Providing
 Vital Resources for America*

Mining in Utah, 2007

	Output (\$ million)	Employment	Payroll (\$ million)	Taxes on Personal Income Federal (\$ million)	State & Local (\$ million)	FICA (\$ million)
Total Mining						
Direct	4,590	9,920	580	n/a	n/a	n/a
Indirect	4,600	34,120	1,430	n/a	n/a	n/a
In-state	4,160	30,450	1,310	n/a	n/a	n/a
Out-of-state*	<u>440</u>	<u>3,670</u>	<u>120</u>	n/a	n/a	n/a
Total	9,190	44,040	2,010	251	91	292
Coal Mining						
Direct	640	3,470	230	n/a	n/a	n/a
Indirect	730	10,380	360	n/a	n/a	n/a
In-state	590	9,150	320	n/a	n/a	n/a
Out-of-state*	<u>140</u>	<u>1,230</u>	<u>40</u>	n/a	n/a	n/a
Total	1,370	13,850	590	74	27	86
Metal Mining						
Direct	1,280	2,590	190	n/a	n/a	n/a
Indirect	1,310	8,230	390	n/a	n/a	n/a
In-state	1,190	7,520	360	n/a	n/a	n/a
Out-of-state*	<u>120</u>	<u>710</u>	<u>30</u>	n/a	n/a	n/a
Total	2,590	10,820	580	72	26	84
Nonmetallic Mineral Mining						
Direct	2,670	3,860	160	n/a	n/a	n/a
Indirect	2,560	15,510	680	n/a	n/a	n/a
In-state	2,380	13,780	630	n/a	n/a	n/a
Out-of-state*	<u>180</u>	<u>1,730</u>	<u>50</u>	n/a	n/a	n/a
Total	5,230	19,370	840	105	38	122

* generated within the state from mining activity occurring outside the state.
 Totals may not sum due to independent rounding.

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In 2007, KUCC in Utah

Produced 13 percent of the nation's copper (second nationwide)

Generated combined spending of \$715.3 million

Directly employed 1,839 people with an average payroll per job (including benefits) of nearly \$82,000

Directly employed 1,839 people which, with a multiplier, created a total of 12,060 jobs

Generated a total personal income through economic activity estimated to be \$516.8 million

Supported a population by this additional economic activity estimated to be 19,296

In summary, over 19,000 Utah residents — or about 6,200 households — were sustained because of the nearly three-quarters of a billion dollars of direct spending by KUCC in the Utah economy

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In The News

Rio Tinto recently agreed to sell a 25% indirect minority interest in Kennecott to Chinalco

- No direct impact in local jobs, wages or taxes
- Kennecott is still the operator
- Rio Tinto still controls Kennecott

We still stand by all of our reclamation, environmental, safety, health and sustainable development commitments

The proposal must still go through regulatory and shareholder approval

The transaction is likely to become effective (assuming all approvals are obtained) at the end of Q2-2009 - beginning of Q3-2009

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The mining industry is in a global downturn, creating very challenging markets in which we operate

Kennecott Utah Copper has been adversely affected, requiring us to aggressively control our operating costs

Kennecott Utah Copper will maintain all overall reclamation responsibilities pursuant to our contract with this Board and seek to complete additional efforts at appropriate levels given our economic situation

Thank You

M&RP	PLANT	AREA / PROJECT	2008											
			Planned ^{1,4}						Additional					
			BAT	Experimental	Demolition	Status	% Complete	\$ Expenditure ²	BAT	Experimental	Demolition	Status	% Complete	\$ Expenditure ²
M/035/002	Bingham Canyon	Lower Bingham Canyon waste rock disposal area @ Lower 5990 section	(1) Re-grade and cross-rip the 5990-foot elevation (2) Place growth media salvaged Fall 2007 (3) Cap outer face average 2 feet growth media @ nominal depth 18"-36" (4) Seed (5) Plant 4000 two-year old seedlings			(1) Completed @ 16 acres (2)&(3) Completed growth media placement @ 16 acres (4) Completed seeding @ 16 acres (5) Completed plant 2000 (Gamble Oak & Curl Leaf Mountain Mahogany) @ ~40/acre each species w/each seedling inoculated with mycorrhizae (vesicular-arbuscular) Wintering 2000 seedlings	(1) 27% (2) 100% (3) 100% (4) 100% (5) 50%	(1)(2)(3) \$878,944 ⁷ (4) \$4,510 (5) \$13,550						
M/035/002	Bingham Canyon	Lower Bingham Canyon waste rock disposal area @ Upper 6190 section	(1) Complete salvage of growth media (2) Begin Re-grade (3) Begin placement of growth media			(1) Completed (2) To continue once soil stockpile relocated to lower half of 5990 area (3) Suspended (4) To be completed 2009	(1) 100% (2) 50% (3) 15% (4) 0%	(1)(2)(3) ⁷ (4) \$0						
M/035/002	Bingham Canyon	Lower Bingham Canyon waste rock disposal area @ Upper 6190 section		(1) Initiate re-grade at experimental 2:1 slope @ <5 acres (2) Place growth media @ <5 acres (3) Revegetate @ <5 acres		(1) Postponed until 2009 (2) Postponed until 2009 (3) Postponed until 2009	(1) 0% (2) 0% (3) 0%	(1)(2)(3) ⁷						
M/035/002	Bingham Canyon	Store and release cover		(1) Complete design modeling (2) Conduct field trials of the various designs		(1) Complete in 2009. Additional field sampling of potential cover material sources required to complete modeling (2) initiate field trials in 2009	(1) 75% (2) 0%	(1) \$45,000						
M/035/002	Bingham Canyon	ARD Technologies Report							Presentation to DOGM staff regarding applicability of ARD technologies at Bingham Canyon Mine			Completed 20080116	100%	\$3,819
M/035/002	Bingham Canyon	Arthur Concentrator			(1) Demolition and removal (2) Clean borrow placement (3) Re-grade and revegetate	Some administration structures remain in use	(1) 90% (2) 90% (3) 90%	\$1,346,039 ⁶						
M/035/002	Bingham Canyon	Bonneville Crusher			(1) Re-grade @ 65 acres (2) Re-vegetate @ 50 acres	(1) Complete (2) Seed @ 45 acres grasses @ 5 acres shrubs	(1) 100% (2) 77%							
M/035/002	Bingham Canyon	Magna Concentrator			(1) Place clean borrow @ 18 acres (2) Regrade @ 18 acres (3) Vegetate @ 18 acres	(1) Complete (2) Complete (3) Complete @ 16.2 acres grass @ 1.8 acres shrubs	(1) 100% (2) 100% (3) 100%							
M/035/002	Bingham Canyon	E1 & W1 Pump Stations			(1) Demolition (2) Removal (3) Re-grade (4) Revegetate	(1)-(4) Work in 2008 suspended due to access & budgeting constraints. Initiation of work scheduled for 2011	(1) 0% (2) 0% (3) 0% (4) 0%	(1) (2) (3) (4)						

M/035/002	Bingham Canyon	Precipitation Plant Perimeter			(1) complete final re-grade (2) complete re-vegetate @ 20 acres	(1) Essentially complete (2) Essentially complete @ 17 acres grasses @ 3 acres shrubs	(1) 95% (2) 95%	(1)&(2) \$675,298						
M/035/002	Bingham Canyon	Growth media							(1) Third-party review of soil characteristics of Bingham Canyon growth media					(1) \$300
M/035/002	Bingham Canyon	Test plots							(1) Third-party test plot monitoring for seedling success & technical review					(1) \$50,000
M/035/002	South Tailing	Entire	(1) Initial drill seeding @ 100 acres			(1) 124 acres completed	(1) 124%	\$236,394 ⁵						
M/035/002	South Tailing	Entire	(1) Supplemental drill seeding @ 300 acres			(1) 203 acres	(1) 68%							
M/035/002	South Tailing	Entire	(1) Minor contouring & leveling as required			(1) Complete	(1) 100%							
M/035/002	South Tailing	Entire	(1) Crushed limestone application for hydro/over seeding @ 100 acres			(1) 0	(1) 0%							
M/035/002	South Tailing	Entire	(1) Limestone disking to 8" for hydro/over seeding @ 150 acres			(1) 0	(1) 0%							
M/035/002	South Tailing	Entire	(1) Bio-solids (woodchips) application @ 150 acres			(1) 96 acres	(1) 64%							
M/035/009	Barneys Canyon	Entire							(1) Recontour erosion area of old reclamation area @ ~2 acres			Complete	(1) 100%	(1) Internal cost not accounted for.
M/035/009	Barneys Canyon	Entire								(1) Cover foundations and recontour truck shop and mill area @ ~2 acres	Ready for topsoil Complete by year end			(1) \$10,000
M/035/011	Concentrator	Entire	(1) 0			(1) 0								
M/035/015	North Tailing	Entire	(1) Initial drill seeding @ 100 acres			(1) 24 acres	(1) 24%	(1) 57,000 ⁸						
M/035/015	North Tailing	Entire	(1) Supplemental drill seeding @ 350 acres			(1) 65 acres	(1) 19%	(1)						
M/035/015	North Tailing	Entire	(1) Bio-solids (woodchips) application @ 150 acres			(1) 0 acres	(1) 0%	(1) 0						
M/035/015	North Tailing	Entire	(1) Spray application of hydrated lime @ 10 acres			(1) 0	(1) 0	(1) 0						
M/045/004	Pine Canyon	Entire	(1) 0			(1) 0	(1) 0	(1) 0						

¹20080227 Board Presentation and/or 20080421 Reclamation Activities Plan

² Expend a minimum average, of \$50,000 – 1978 dollars per year for each three year period, in maintaining a program of experimentation and in the application of BAT toward rehabilitation of land.

³ UDOGM Board Presentation 2009-02-25

⁴ Information incorporates GHG reclamation activities assessment

⁵Total for all South Tailing reclamation activities

⁶Total for Arthur, Bonneville, & Magna demolition, reclamation and restoration

⁷Combined costs / includes dozer maintenance costs @ D584: \$202,010; D585: \$175,000 for a total dozer maintenance @ Total: \$377,010

⁸Total for North Tailing initial and supplemental drill seeding